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Annual Report For 2003 Filed

For Immediate Release

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(June 17, 2004- TROY)- The City of Troy filed its annual report for 2003 last week, and reported a modest increase in the unreserved fund balance to the New York State Comptroller's Office.

Mayor Harry Tutunjian credited the former City Council for the tough cuts it made in the 2003 spending plan, and also for demanding that every transfer in the budget over \$500 be approved by the legislative body, a process former Mayor Mark Pattison vehemently opposed. A tougher stance on budgeted estimates yielded much better results.

All told the unreserved fund balance for 2003 was around \$960,000, though Tutunjian cautioned both the current City Council and residents of Troy that the news should be taken with a grain of salt, and that the immediate economic future of the City is unclear.

"We are certainly pleased to end the year in the black, but what I need everyone to understand is that it does not change the forecast for next year," Tutunjian said. "I was left a budget by former Mayor Pattison that has numerous holes, and currently cannot account for the extraordinary increases the City will see in retirement, health care, and contractual raises in 2005. These are increases every municipality is struggling to deal with."

At the moment, Tutunjian expects a \$3 to \$5 million gap when budget discussions begin early next month. He has already taken numerous steps this year to lower costs, including cutting jobs deemed unnecessary, ordering a 3.5 percent cutback on this year's budget estimates, limiting travel costs, and taking a closer look at the day-to-day expenditures.

Tutunjian has also told department heads to be prepared to cut an additional 7 percent out of the 2005-spending plan.

"The filing of the annual report should be looked at as further proof that Troy is on the comeback trail," Tutunjian said. "However, I cannot stress enough how important it is for residents to know that costs not under my control will continue to rise, and we will have a tough time ahead."

"That said, I also want the residents to understand, that our future, with a larger and stronger tax base, will be bright," the mayor continued. "We have passed the rezoning of the South Troy waterfront, and the Hoosick Street Corridor is next. We have approved the Business Improvement District. There are businesses looking to move into Troy on a daily basis. They want to come here. And we will have them here. Stay the course, and everything will turn out great in the end."